

REFUND AND CANCELLATION POLICY

All refunds and cancellations are made in accordance with the requirements of Section 529 of the Internal Revenue Code, Washington State law (RCW 28B.95.110) and GET Program policies. Please review the GET Master Agreement for more details. In general, you can request a refund after your account has been open for a minimum of two years, with limited exceptions as described below. Defined terms in this policy have the same meanings as those terms referenced in the GET Master Agreement. Because refunds may have significant negative tax effects, you should consult with a tax advisor before taking a refund from your account.

Please review the Refund and Cancellation Summary on page two of this document.

Refund Information:

Generally, your units must be held *for a minimum of two calendar years* from the date the units were purchased (date payment received). If your Custom Monthly Plan is not paid in full at the time you request a refund, it will be converted. This means that all payments are reposted as lump sum purchases. Keep in mind that refunds may be subject to:

- The Program Refund Penalty of 10% of the earnings or \$100, whichever is greater;
- Program Account Cancellation Fee of \$10 *and* an account maintenance fee of \$1.70 for each month the account was open;
- State and federal income taxes; and
- The federal 10% penalty tax.

Refunds are made at the current GET unit payout value, minus Program fees and penalties (not including state and federal income taxes; and the 10% penalty tax). Only the account owner may request a refund.

Please send an original (no copies or faxes), notarized Refund/Cancellation Request form and supporting documentation (if required) to:

GET Program
PO Box 43450
Olympia, WA 98504-3450

Refund checks are made payable to the account owner unless you check the box on the Refund/Cancellation Request form for it to be payable to the student beneficiary. We do not allow partial refunds. Once approved, the refund check will be mailed to you within three to six weeks.

The IRS assesses a 10 percent penalty tax for non-qualified withdrawals (withdrawals not used for qualified higher education expenses). In addition, the earnings portion of all refunds may be taxed as ordinary income.

Review our Refund and Cancellation Summary on page two for details. We will mail a 1099-Q each January following the year of distribution to the individual who received the refund. **Please consult a tax advisor before requesting a refund to determine any federal income tax liability.**

If the Program denies a refund request, the Account Owner may submit a letter to the Program Director within 10 days after notification, asking for reconsideration. If the Director denies reconsideration, the Account Owner may submit a letter to the Committee Chair within 10 days after notification, asking for reconsideration. The Committee Chair will conduct a brief adjudicative proceeding on the merits of the request and render a final decision.

Refund and Cancellation Summary

Type of Refund and Cancellation	Refund Value	Program Penalty	Program Fee	IRS Tax/Penalty *	Documentation Required**/Comments
Cancellations					
Notification within 3 business days	All contributions returned, including \$50 enrollment fee	N/A	N/A	N/A	
Qualified Refunds					
Death or Disability of the Student Beneficiary	Current GET unit payout value	N/A	N/A	Earnings portion taxed as ordinary income, no penalty	<ul style="list-style-type: none"> Death of the student beneficiary: A copy of the student beneficiary's death certificate. Disability of the student beneficiary: Documentation from a medical professional stating that the student beneficiary's disability prevents the student beneficiary from attending any institution of higher education.
Scholarship (Includes appointment in a United States military academy)	Current GET unit payout value	N/A	N/A	Earnings portion taxed as ordinary income, no penalty	<ul style="list-style-type: none"> Documentation of the scholarship-awarding entity, the scholarship amount and the applicable academic term. Account owner must re-submit request for scholarship refunds for subsequent years. Cannot exceed the scholarship amount or amount of eligible units available for that academic year. Refunds for scholarships must be requested during the academic year in which the scholarships are awarded.
Non-qualified Refunds					
Account cancelled within 6 months	All contributions returned, less \$50 enrollment fee and any other outstanding fees	N/A	N/A	N/A	
Account value less than \$500	All contributions returned, less \$50 enrollment fee and any other outstanding fees	N/A	N/A	N/A	
Graduation or Program Completion	Current GET unit payout value	N/A	N/A	Earnings portion taxed as ordinary income and subject to 10% penalty tax.	<ul style="list-style-type: none"> Documentation showing the student beneficiary has graduated or completed a degree or certificate program.
Bankruptcy	Current GET unit payout value	N/A	N/A	Earnings portion taxed as ordinary income and subject to 10% penalty tax.	<ul style="list-style-type: none"> Letter from bankruptcy trustee with instructions for distribution. Copy of bankruptcy filing documents. Refund check will be payable per court documents.
Non-attendance (If student doesn't attend college)	Current GET unit payout value	\$100 or 10% of the account earnings, whichever is greater	\$1.70 per month while the account was active and \$10 cancellation fee	Earnings portion taxed as ordinary income and subject to 10% penalty tax.	<ul style="list-style-type: none"> Account owner must complete a new Refund/Cancellation Request form for subsequent years. Up to 125 units per academic year. Cannot exceed the amount of the eligible units available for that year. Refunds will be made no sooner than 90 days after receipt of the request.
Meets Two-Year Waiting Period Requirement	Current GET unit payout value	\$100 or 10% of the account earnings, whichever is greater	\$1.70 per month while the account was active and \$10 cancellation fee	Earnings portion taxed as ordinary income and subject to 10% penalty tax.	<ul style="list-style-type: none"> Units must be held for a minimum of two calendar years. Any units less than two calendar years will not be refunded until they meet the two-year waiting period requirement. The account owner must complete a new Refund/Cancellation Request form for each refund.
Financial Hardship	Current GET unit payout value	\$100 or 10% of the account earnings, whichever is greater	\$1.70 per month while the account was active and \$10 cancellation fee	Earnings portion taxed as ordinary income and subject to 10% penalty tax.	<ul style="list-style-type: none"> Documentation of financial hardship, such as job loss or reduction, eviction or disconnection of utilities is required.

*Based on current IRS regulations. Contact a tax advisor for further details.

**You must send a Refund/Cancellation Request form and any other documentation required.

Updated 11.1.13